

# HELM

FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111  
415/398-4510 FAX 415/398-4816

VIA AIR COURIER

June 26, 1996

Mr. Vernon Williams  
Recordations Unit  
Surface Transportation Board  
Department of Transportation  
12th and Constitution Avenue, N.W.  
Washington, DC 20423

20158  
JUN 27 1996 12 40 P

Dear Mr. Williams:

Enclosed are two (2) originals of the Memorandum of Lease of Railroad Equipment dated as of May 1, 1996 between the following parties:

Lessor:	Helm Financial Corporation One Embarcadero Center, Suite 3700 San Francisco, CA 94111
Lessee:	MK RAIL Corporation 1200 Reedsdale Street Pittsburgh, PA 15233

The equipment involved in this transaction is as follows:

Equipment: Twenty-one (21) SD45 locomotives, twelve (12) F45 locomotives, and one (1) SD45B locomotives (See Schedule A attached for reporting mark & numbers.)

Please file this agreement as a primary document. The filing fee of \$21.00 is enclosed.

Sincerely,



Chris Dilley  
Administrative Assistant

/cpd

Enclosure

SURFACE TRANSPORTATION BOARD  
WASHINGTON, D.C. 20423-0001

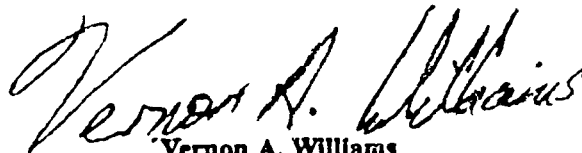
6/27/96

Chris Dilley  
Administrative Assistant  
Helm Financial Corporation  
One Embarcadero Center  
San Francisco, CA., 94111

Dear Sir:

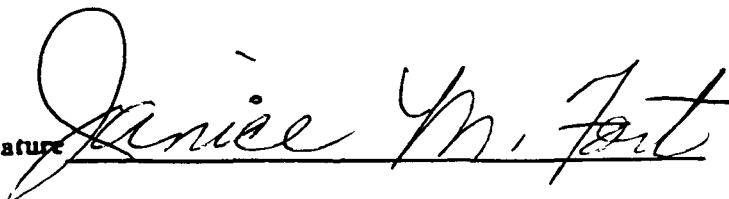
The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 6/27/96 at 12:40PM, and assigned recordation number(s). 17313-B, 19923-A, 20154, 20155, 20156, 20157, 20158 and 20159.

Sincerely yours,

  
Vernon A. Williams  
Secretary

Enclosure(s)

\$ 168.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature 

JUN 2 1996 10:41 AM

MEMORANDUM OF  
LOCOMOTIVE LEASE AGREEMENT

THIS MEMORANDUM OF LOCOMOTIVE LEASE AGREEMENT (the "Memorandum") is made as of May 1, 1996 and is intended to evidence that certain Locomotive Lease Agreement dated as of May 1, 1996 (the "Lease") between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and MK RAIL CORPORATION, a Delaware corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board of the Department of Transportation under Section 49 of U.S.C. 11303. Lessor has the right to lease the locomotives, more fully described in Schedule A hereto (the "Units"). Lessee leased from Lessor the Units at the Rent and upon the terms and conditions provided in the Lease.

Except for the sublease between Lessee and The Atchison, Topeka, and Santa Fe Railway Company, the Lease and the Units cannot be assigned, subleased or in any way encumbered without the prior written consent of Lessor. Lessee has granted a security interest unto Lessor in and to any and all Payments, as such term is defined in the Lease, including, without limitation, any and all Rent and other Payments pursuant to any sublease of the Units. In the Event of Default, as such term is defined in the Lease, Lessee assigns any and all subleases to Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed by their duly authorized representative as of the day and year first above written.

LESSOR

HELM FINANCIAL CORPORATION

By: 

Print Name: Richard C. Kirchner

Its: President

LESSEE

MK RAIL CORPORATION

By: 

Print Name: Joseph S. Crawford Jr.

Its: PRESIDENT Loco-Group

SCHEDULE A TO THE  
MEMORANDUM OF LEASE

THE UNITS

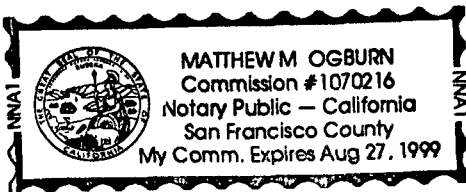
<u>Equipment Description</u>	<u>Unit Number</u>	<u>Unit Number</u>
Twenty-one SD45 Locomotives	ATSF 5348	ATSF 5367
	ATSF 5349	ATSF 5368
	ATSF 5353	ATSF 5369
	ATSF 5355	ATSF 5370
	ATSF 5357	ATSF 5371
	ATSF 5358	ATSF 5372
	ATSF 5359	ATSF 5373
	ATSF 5361	ATSF 5374
	ATSF 5364	ATSF 5375
	ATSF 5365	ATSF 5376
	ATSF 5366	
Twelve (12) F45 Locomotives	ATSF 5951	ATSF 5967
	ATSF 5954	ATSF 5971
	ATSF 5957	ATSF 5973
	ATSF 5961	ATSF 5974
	ATSF 5964	ATSF 5977
	ATSF 5966	ATSF 5984
One (1) SD45B Locomotive	ATSF 5501	

STATE OF CALIFORNIA )  
 ) S.S.  
COUNTY OF SAN FRANCISCO )

On May 4th, 1996, before me, Matthew M. Ogburn personally  
appeared Richard C. Kirchner, President of **HELM FINANCIAL CORPORATION**,

✓ personally known to me -OR-

— proved to me on the basis of satisfactory evidence to be the person(s)  
whose name(s) is/are subscribed to the within instrument and acknowledged  
to me that he/she/they executed the same in his/her/their authorized  
capacity(ies), and that by his/her/their signature(s) on the instrument  
the person(s), or the entity upon behalf of which the person(s) acted,  
executed the instrument.



Witness my hand and official seal.

Matthew M. Ogburn  
SIGNATURE OF THE NOTARY

[Notarial Seal]

COMMONWEALTH OF PENNSYLVANIA )  
 ) S.S.  
COUNTY OF Allegheny )

On May 7, 1996, before me, Kelly A. McQuoid personally  
appeared Joseph S. Crawford, Jr. personally known to me (or proved to  
me on the basis of satisfactory evidence) to be the person(s) whose name(s)  
is/are subscribed to the within instrument and acknowledged to me that  
he/she/they executed the same in his/her/their authorized capacity(ies), and  
that by his/her/their signature(s) on the instrument the person(s), or the  
entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Kelly A. McQuoid  
SIGNATURE OF THE NOTARY

[Notarial Seal]

